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**I have spent nearly 40 years trying to work out what the British consumer wants I should say with quite mixed success because they are a perverse lot and I'll come back to that. But one of the things I have learned is that what we think they want and what they think they want can be two very different things.**

**I am always reminded of a story of a man, who Dick will remember with warmer feelings, by the name of Ian McCardoe, a very left-wing MP who told me a story of going to Hyde Park Corner in 1936. There was a great communist MP, former Labour MP, called Willie Gallagher. Willie Gallagher was passionate about the state taking over everything, and as he was speaking he turned towards Buckingham Palace and he said, "there is the king, King Edward VIII, in his pomp and all his richness and going to bed with Claudette Colbert." He was right in that he was going to bed with somebody, not Claudette Colbert, it was Mrs Simpson. Never mind, it was a great secret at the time. Anyway, Claudette Colbert was a very famous film star at the time and Gallagher said to the audience, of which McCardoe was one and there were two or three others, "when the revolution comes my friend you will be enjoying the pomp of Buckingham Palace and you will be going to bed," pointing to the man with the tall hat in the front of the audience, "with Claudette Colbert." And this little guy had the temerity to say, "I am sorry Mr Gallagher, but I don't want to go to bed with Claudette Colbert" and Gallagher said "when the revolutions over, you bloody well will."**

**And there has been an element of that in the way we have been treating the consumers over the last 30 or 40 years. Now it seems to me that one of the interesting things that's happened with consumers and the whole argument about environmental stuff or whatever is that the political arguments have changed very radically in the last 20 years. It is no longer attractive for idealists to get into the left versus the right argument because the old conventional left is no longer a valid place and I suspect that by next Thursday the old conventional right won't be a terribly valid place either. So the energies that people have been moving towards are non-political activities, which have been consumer groups, which have been environmental groups, which have been NGOs generally, and the wealth of talent that used to be in politics, I think 40 or 50 years ago, tends to find itself there.**

**We also as a society have become spectacularly schizophrenic. Now the agenda, the political agenda, the so-called radical agenda, doesn't come from the left it comes from the middle-class pressure groups, the environmentalists or whoever are setting the standards. And in issues like the issue that is dear to my heart, Europe, we find that most business people think Europe is a very good idea. When you get home, however, with their partners and pour through the Daily Mail, you start taking quite a different perception and it is quite difficult for us to read how we behave in one particular way, in one set of circumstances, and in a different way under another set of circumstances.**

Another observation is that the more affluent we are, the healthier we are, the safer we are, the more insecure we feel and the more risk averse we are. You would expect us to be going in the opposite direction. Not at all. We are much more neurotic about our safety now than we were 40 years ago, even though we live in an infinitely safer world than we did.

In the 30 or 40 years I have been in the food business, I have seen massive changes in the producer consumer relationship. When I joined the food business, producers were heroes, they had won the war and consumers were grateful to have the producers there. Never mind that the ice cream was made from whale oil, we were very glad to have ice cream, whatever type it was. And today we now have questioning consumers and on the whole defensive producers. We have moved from a world of secrecy, of governments knowing best, of autocracy, of governments telling us what is right and producers telling us what is right to a world of transparency. It is very difficult for British civil servants to come to terms with transparency and uncertainty.

And the experience of 20 years ago, I would have gone on to farms in this country and would have found standards of agricultural practice, which, frankly, I felt at that time were atrocious and would be unspeakable in this world. So one recognises that producers have recognised this change, but clearly as one sees with the comments of the farmers with the foot-and-mouth disease outbreak during the last few months, they still have a lot left to learn about the need to be responsive to the great British public.

And today, one of the great entertaining arguments about supply of the markets is this wonderful battle between the great ethical giants of the organic movement and the great ethical giants of the vegetarian movement. I have to say on the principle of ethics, the vegetarians win ten to nil. On the question of effectiveness, however, the organics win ten to nil. They are rather better connected in high places than the vegetarians.

And we have seen huge changes in the perception of health. When I first went into the food business, we weren't allowed to eat potatoes and bread, very bad for you. Now, we are not allowed to eat fat. Milk has been a dangerous product in America for the last 30 years, until people realise they are running out of calcium. I am glad to say that milk sales are now rising in the United States having been in decline for the last 30 or 40 years.

So perceptions change, and scientific perceptions change. So I'd like to talk a little bit more about these consumer perceptions and particularly about GM.. So far the American consumer, as far as I can see, isn't very concerned about environmental issues, or indeed about food safety issues. So the question one asks is, do they trust their regulators more than we do? Very unlikely, but they may do. Do they accept risks greater than we do? Almost certainly they do. America is a very risky

place to live. Eight times as many people die of food related diseases in America as die in Britain but the Americans take this with a greater degree of equanimity than the British do. Are they manipulated by big business? Certainly and they seem to enjoy that too.

Contrast this with the British consumer, particularly post BSE, who basically has nothing to do with GMs, who makes a connection between GMs and food safety, entirely spurious as we will come back to, who is alarmed quite rightly so by the UK food chains' record of food safety in recent years. I have to say, however, the British consumer is not actually terribly interested in environmental issues.

And then take the German consumer, whose angst is spectacular, world leaders in angst are the Germans, they invented the word, and you can see the way they behave by how they have responded to the BSE crisis that they consider they are in the middle of. And they also have a strong green tradition alongside the Scandinavians.

The Dutch have another perspective. They seem to me, whenever I go there, to be remarkably complacent about the spectacular pollution that goes on in that very over populated country. They have more equanimity about that than we have. But on the other hand they are hugely exercised by the slaughtering of their pigs and animals in the foot-and-mouth disease.

Indeed it was very interesting, they asked me last week why is it the British, with their fantastic love of animals and animal welfare, have allowed this mass slaughter of millions of animals which has shaken the rest of the world and the British have taken this with their usual phlegm. I thought about this for a moment and then I realised the answer. Yes, we are wonderfully in love with our animals, we probably like animals more than human beings, but there is only one group we like more than animals and that is the British Army. The way Mr Blair brought the British Army in to play and the British Army started slaughtering all the animals the British public said it must be all right then.

And then one has the Mediterranean consumer, who looks rather less to government for protection than others, who work their way through the food chain, I think with great success. I happen to enjoy Italian food better than anything else, who will argue that one of the benefits they have is that they don't buy quite as much food out of large supermarkets as we do. Therefore, they trust their local supply. It is an interesting consumer point that they make.

And finally the French consumer, who is much more supportive of the farming interest than any consumer in Europe and also has local loyalties. All of which makes the co-ordination of European Union, and international policy maker of these issues, spectacularly difficult for policy makers.

Let me talk a little bit more about British consumers conceptions of the GM issue. First of all in this country, rightly so I think, consumers have a low regard for the advice and guidance offered by government and business, especially in the light of BSE. Bob Worcester did a poll for us in the cabinet office three years ago where we were looking at risk and trying to work out where people looked to when they had a risky situation. I am sorry to say Ministers and politicians are the lowest by 5 % rating, business people about 6% rating, and as we move up clergymen have come down in the last 30 years; you don't go to your minister as much as you would have done in a risky situation. You still, surprisingly enough, go to your Doctor. But overwhelmingly, the most likely place you will go to get guidance and work out a risky situation is your mother-in-law. And when you think about it, it is not the most surprising thing in the world. How we work out risk solutions is usually with our nearest and dearest, usually because we share the same prejudices. One of the difficulties with families is that we breed these prejudices into each other and therefore we work these solutions out together. So one has to remember the mother-in-law factor when you are working your way through risk.

We have in this country a love – hate relationship with the supermarkets. We like to use them, because we all do use them, spectacularly nearly 70% of our food goes through supermarkets. So we can't say we dislike them, but at the same time we love to feel we are being abused by them. Which leads me to see why supermarkets would make what I call mistakenly knee jerk reactions on issues. Their attempts to outlaw all GM food in the system is wrong. It is wrong because it is totally impractical, and in due course they will be going up the wrong street on that issue. Never mind what the focus groups tell them, they are wrong on that issue, and they should not, in my view, have introduced, as my company did too, voluntary bans of GM foods three years ago. What they should have done is offer consumers choice and let people work through those problems on their own. And even worse was the thought that some supermarkets thought they could take competitive advantage either being the first to take GM food out of their system. They will be found out on that issue.

Eventually a price will have to be paid for GM free food. The question then will be who will pay for that? Will it be the farmer, will it be the manufacturer, will it be the retailer, or will it be the consumer? In my view, it will have to be consumer. But equally, the GM issue was handled appallingly by the large American companies. When we went to the United States and asked them will you please separate GM from GM free soya, we were told to take a jump by all of them universally. And the commercial companies I am afraid ran rough-shod over British consumers based on their, admittedly easier much easier, experience with U.S. consumers. I think those companies have learned their lesson on that.

The British media offered an important but non-controversial environmental concern. They dealt with that properly but suddenly they introduced a highly irrelevant far more controversial food safety concern. Frankenstein food was invented by the Daily Mail in February 1998 and it increased their circulation by

significant figures in the next few days, so they ran the story again, and they still run the story because it is still good for the circulation as long as you don't run it every week. Bad news sell newspapers.

And environmental pressure groups, at the same time, who I had talked rather constructively with various of them about this issue of GM modification before the Frankenstein thing, as soon as Frankenstein came along everybody jumped rather unscrupulously onto the food safety chain and from being a sensible argument we got into a very unsensible argument – and that is where we are. And of course the great British public, understandably, found it hard to understand these issues. In the light of all this I would argue that the British Government at the time instead is to be congratulated on how much it has tried to control the ground on this issue. And it has held the ground because the argument hasn't gone away and I think it is to their credit that's happened.

Perceptions on issues of risk are very strange. Beef on the bone for example. The Government thought it was doing the right thing by introducing a ban on beef on the bone for everybody and to their amazement the great British public said no that won't work. My wife on hearing this, who is not very scientific, said it seems to me on the evidence that it is more likely I am going to be run over by the queen than die from beef on the bone. And I think that 50 million people made that same judgement and we have to understand that.

On the other hand somebody mentioned mobile phones when you have a choice between mobile phones and GM food you look at GM foods and say it doesn't taste any better, flavour ain't any better, isn't cheaper, somebody says it's a risk, I'll leave that alone. Mobile phone; bloody dangerous but my god they are very useful. And I think you will find people will work through things. Same thing is true about road and rail accidents. We get into an awful steam about rail accidents where six people die tragically in one accident probably as a result of slowing down the railway line since last November and now, far more people have been injured or killed on the roads because we have taken them off the railways. But we feel more comfortable killing other people in our own cars when we are in charge rather than sitting in a train when someone else is running it. That's a psychological thing that we have to understand.

So just to finish on this, I'd like to talk about a few observations about variations in GM right across the world. Affluent consumers in the West are not really attracted by GM for the reasons I have said, it doesn't taste any better, the flavour isn't any better, it doesn't cost any better so why take the risk. If there is an environment risk, and I am not arguing there isn't an environmental risk, of course there is an environmental risk and it must be tested. The environmentalists are of course fiercely against the GM product. They have quite understandable reasons to be concerned about the GM issues but they have been excessively happy to jump on to the food safety bandwagon. They remain convinced, however, that British consumers would be prepared to pay an environmental premium for food.

**They are 95% wrong. In my view, there will be 5% of people who will pay a premium for an environmentally friendly product; 95% will not. And they seem to believe still that the world can feed itself on an organic system of agriculture, which as we have just heard is quite inconceivable and ludicrous.**

**We never ask the poor British consumers, the poor people of this country, what they think about these things. For them, the price of food is paramount and the organic proposition is clearly well beyond their means. At some time I feel poor people will be offered through GM lower prices in key agricultural commodities, I am talking about poor people in Western countries, for flour, for fruit, and for vegetables and they simply are not interested in environmental issues.**

**I met a very eccentric American scientist from Stamford the other day, rather right-wing, I'd like to say I keep in touch with these guys, and his theme was pesticides are good for your health, which is a bit of a showstopper I must say. But his argument was if you take cancers – 30% of cancers are due to smoking, 30% are genetic, 30% however are due to diet. Most of the reasons for diet is people do not enough fruit and vegetables. Why do they not enough fruit and vegetables, because they are too expensive. What makes them cheaper, put pesticides on them. And 1% of people will die of cancers arising from pesticide residues. As I was drinking my cup of coffee he said and furthermore you are drinking from that one cup of coffee as much cancerous stuff as you will get eating a year of pesticide residues or eating fruit and vegetables. Well that's a point of view.**

**As for the developing world, consumers and farmers will have a very different perspective on GM. The technology as we have heard could reduce farm costs and enable farmers to significantly increase their outputs, which in turn would offer poor consumers a more secure supply of food at a lower cost.**

**So where do we go from here? The world is not going to abandon this technology. Large quantities of soya, rice and cotton are being produced using GM. But there must be much more international testing and much greater effort to put the testing onto an international basis rather than a national basis or an EU basis, particularly on both sides of the Atlantic. And there must a particular emphasis on controlled trials in heavily populated Europe, heavily populated countries like Britain, before approving commercial production. Britain and Europe should not deny themselves the opportunity to share in this scientific innovation. We must not deny it we must share it.**

**But how do we try to persuade the public? First of all we should trust the public. Give them the evidence as much as we know it, and my experience is, by and large, people will come to a sensible conclusion about what they should do. It would be nice if affluent consumers could see a real benefit to them from the technology especially with regard to flavour. Sainsbury sold tomato paste GM very successfully for a number of years. But more particularly health and what we have**

heard about the possible benefits to health in food in genetic modification is very interesting.

Less affluent consumers clearly have to see a price advantage and I hope that is coming through. We in the industry here must finally lay the dragon of food safety to bed. We must get rid of the scourge, which we have brought on our own heads of dangerous food. As long as we have that there, problems of scientific innovation are going to be jeopardised. People must feel comfortable about the environmental aspects of GM. The attraction to the developing world of GM must be spelled out properly to Western consumers. Manufacturers and farmers must be fully transparent about the way they handle these concepts. Retailers must offer consumers choice and not mistakenly to take better advantage out of such issues. Governments have got to go on being open, patient, and resistant to demand about banning things and must work together to co-ordinate the development and the regulation of the science internationally. And maybe, even, able to attain sometime environmental benefit rather than environmental risk.

If the rest of the world presses ahead with GM, and it does, and Britain and Europe does not, that will further undermine the competitiveness of British and European agriculture and of course there are potentially big prizes for British science and British scientists if we are allowed to continue to develop GM technology.